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April 17, 2006

AGENDA ITEM 8a

TO: MEMBERS OF THE INVESTMENT COMMITTEE

I. SUBJECT: Report on Companies Sanctioned by U.S.
Government for Activities in Iran

II. PROGRAM: Total Fund

III. RECOMMENDATION: Information Only

IV. ANALYSIS:

In a letter dated March 21, 2006 (Attachment 1), California State Controller Steve Westly requested CalPERS identify holdings in companies that violate the Iran Nonproliferation Act of 2000 and Iran-Libya Sanctions Act of 2001.

Staff has confirmed the following:

- CalPERS does not have holdings in companies that have been sanctioned by the State Department since passage of the Iran Nonproliferation Act in 2000. Attachment 2 contains a list of 74 companies sanctioned by the State Department.
- CalPERS does not have holdings in companies sanctioned under the Iran-Libya Sanctions Act of 2001, based on the State Department's most recent disclosure, dated April 19, 2005

V. STRATEGIC PLAN:

This item is not a product of the 2005-2006 Global Equity Annual Plan.

VI. RESULTS/COSTS:

Costs associated with this agenda item are minimal.

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